

**SEMIANNUAL REPORT OF FDIC BOARD MEMBERS'
TRAVEL VOUCHER REVIEWS
SEPTEMBER 1998 TO FEBRUARY 1999**

Audit Report No. 99-017
March 26, 1999



**OFFICE OF AUDITS
OFFICE OF INSPECTOR GENERAL**

March 18, 1999

MEMORANDUM TO: Board of Directors
Audit Committee



FROM: Gaston L. Gianni, Jr.
Inspector General

SUBJECT: *Semiannual Report of FDIC Board Members'*
Travel Voucher Reviews - September 1998 to February 1999
(Audit Report no. 99-017)

INTRODUCTION

The OIG reviews FDIC board members' travel vouchers weekly and reports results monthly. This report summarizes the results of the OIG's travel voucher reviews for the six months ending February 28, 1999. The reviews are part of a continuing program initiated at the request of the Executive Office. The purpose of the program is to ensure that travel expenses incurred by the board members while on official travel are not paid by organizations with contractual agreements with the FDIC, trade associations, and persons or organizations that might be affected by FDIC decisions. The OIG also reviews travel vouchers for compliance with the FDIC's General Travel Regulations.

SCOPE AND OBJECTIVE

This report covers the weekly reviews performed of all travel vouchers submitted by and paid to the board members during the period September 1, 1998 through February 28, 1999. During this period, Chairman Tanoue submitted 11 travel vouchers, Vice Chairman Hove submitted 6 travel vouchers and Director Neely submitted 1 travel voucher to the FDIC's Division of Finance for payment. No vouchers were submitted by the Director of the Office of Thrift Supervision or the Comptroller of the Currency during this time frame. Our reviews included the 18 travel vouchers submitted by Chairman Tanoue, Vice Chairman Hove, and Director Neely.

Our objective was to determine if the board members' travel was in compliance with ethics standards contained in FDIC Circular 2410.4 Sub-Part B; 5 CFR Part 2635 Subpart B; and the FDIC's General Travel Regulations. The circular and CFR criteria prohibit acceptance of gifts, entertainment, favors, loans, and travel expenses from: (1) a person or organization seeking official action by the FDIC, (2) a person or organization doing business or seeking to do business with the FDIC, (3) a person or business conducting activities regulated by the FDIC, or (4) a person or

organization with interests that may be substantially affected by the performance or nonperformance of the employee's official duties.

CONCLUSION

We concluded that the travel voucher expenses claimed by and paid to Chairman Tanoue, Vice Chairman Hove, and Director Neely for the six month period ending February 28, 1999, were in compliance with the ethics standards governing the acceptance of gifts, entertainment, favors, loans, and travel expenses as contained in the above named criteria and the FDIC's General Travel Regulations.

EXECUTIVE ACTION REQUIRED

No executive action is required.